

January 19, 2000

Honorable Sharon Treat, Chair
Honorable John Martin, Chair
Legislative Joint Standing Committee on Natural Resources
State House
Augusta, Maine 04333

RE: Priority Watershed Protection Grants Program

Dear Senator Treat and Representative Martin:

The Priority Watershed Protection Grants Program (38 MRSA 2013; 1997 Public Law Chapter 519) provides financial assistance for conducting locally-supported watershed management projects. These projects are intended to prompt widespread use of Best Management Practices (BMPs) effective in reducing or eliminating nonpoint sources (NPS) of water pollution in Maine's surface waters. Section B-2 of the law requires that by December 31, 1999, DEP submit "an evaluation of the priority watershed protection grants program, established in the Maine Revised Statutes, Title 38, Section 2013, as a means of controlling nonpoint sources of pollution and improving water quality. The report must include recommendations for improving the program, including funding options." This letter with attachments constitutes our report.

A bond passed by state referendum in June, 1998, authorizes use of \$500,000 of state bond money for the Priority Watershed Protection Grants Program. Projects under this program must either develop a watershed management plan (WMP), or implement an existing approved WMP. The statute outlines eight mandatory elements that must be included in a WMP. These elements address: assessment of water quality; types of land and water uses; NPS severity; determination of suitable NPS controls; implementation strategies; landowner education about BMPs; plan evaluation; and self-sustaining financial support of WMPs.

The DEP received 38 grant project proposals as a result of a public Request For Proposals process initiated under the DEP Nonpoint Source Grants Program (see Attachment A for an overview of this program and its relationship to the Priority Watershed Protection Grants Program). Thirty of these proposals requested federal funding under the Nonpoint Source Grants Program, and eight proposals requested State bond funding for developing or implementing WMPs under the Priority Watershed Protection Grants Program. All proposals were evaluated by an interagency review committee with representatives from the DEP, State Planning Office, USDA Natural Resources Conservation Service, and USEPA. As a result of this evaluation process, five of the eight WMP projects were approved by the Board of Environmental Protection for funding in October 1998.

Grant money was actually distributed to the approved project sponsors starting in the spring of 1999. A description of each project is included in Attachment B. Four of the projects involve development of watershed management plans. Final reports from the sponsors will be due by the spring of 2001. The remaining two projects involve implementation of management practices. These are three year projects, which should be finished in 2002. Although we'd like to see immediate water quality improvements, that will be unlikely as the projects are focused on lake water quality, which generally takes years to show the effects of sustained restoration activity.

While it is too early to report on results from any of the bond funded watershed projects, the need is great for on-going commitment to tackle nonpoint source pollution problems in all areas of the state. Since the June 1998 bond referendum, the Department has twice been unsuccessful in requesting approval of an additional \$500,000 in bonds to support the Priority Watershed Program. In both requests, the Department proposed to limit projects to implementation work; the second request would have been limited to local road improvements. Other funding needs have been given higher priority. While federal funding support is expected to continue through the Section 319 Grant Program, state support is still necessary over the long-term to make headway on NPS pollution. Possible funding options for the Priority Watershed Program are highlighted in Attachment C.

In addition to funding outside sponsors, the Department invests federal nonpoint source grant funds into an Information and Education Program (See Attachment D), and in training, through its Nonpoint Source Training & Resource Center. We believe these programs are key to long-term reduction in NPS pollution and will continue these in the future.

We have no recommendations for improving the program, other than to urge support for future funding. We ask that you give careful consideration to the ideas in Attachment D and would be happy to discuss them with you. Please contact Don Witherill at 287-7725 for further information.

Sincerely,

Martha Kirkpatrick

Attachment A: Maine DEP Nonpoint Source Grants Program

- **NPS Grants**

- ④ NPS Grants provide financial assistance to help conduct NPS Projects. The primary objective for projects is to reduce or prevent the pollutant load entering water resources from nonpoint sources, so that beneficial uses of the water resources are maintained or restored. The primary funding source for the Nonpoint Source Grants Program is the federal Clean Water Act section 319(h), administered by the U.S. Environmental Protection Agency.
- **The FFY 99 RFP was revised to incorporate the new state Priority Watersheds bond funds in with the 319 NPS Grants Program. This new component within the NPS Grants Program is known as the Priority Watershed Protection Grants Program. Only WMP development and WMP implementation projects are eligible for funding with State bond funds.**
- The RFP invited 4 types of NPS Grant projects:
 - ◆ Project to Develop a Watershed Management Plan
 - ◆ Project to Implement a Watershed Management Plan
 - ◆ NPS Implementation Project
 - ◆ Watershed Survey of Nonpoint Sources
- Maine public organizations such as state agencies, soil & water conservation districts, regional planning councils, watershed districts, municipalities and nonprofit organizations are eligible grant recipients.
- In an annual competitive process, the RFP is usually released in January. The FFY2001 Request For Proposals for NPS Grants will be announced this month.
- Each year since 1992, the DEP has funded range of 6 to 20 NPS grant projects with federal 319(h) funds. Project duration is typically 1 to 3 years.

ATTACHMENT B: Priority Watershed Projects

Project contracts were issued for the 6 project between February and June of 1999. All projects are proceeding. Here is a summary of the projects:

<p>#99B-03, "Damariscotta Lake Watershed Management Plan" <u>Sponsor:</u> Damariscotta Lake Environmental Association <u>Purpose:</u> Develop a locally supported watershed management plan to protect the water quality of Damariscotta Lake from the negative influences of NPS runoff by defining specific objectives and actions that will reduce NPS problems from existing and future development. <u>Planned Duration:</u> 18 months. Project contract completed in 2/99</p>	<p>Grant \$56,825 Match \$26,934 Total \$83,759</p> <p>DEP contact person: Waddell</p>
<p>#99B-04, "Thompson Lake Watershed Management Plan" <u>Sponsor:</u> Thompson Lake Environmental Association <u>Purpose:</u> Develop a comprehensive, locally supported watershed management plan to protect Thompson Lake from the effects of NPS pollution to the greatest extent possible; to maintain a stable or decreasing trophic state for Thompson Lake; and to help mitigate existing NPS problems while minimizing the impact of future NPS sources. <u>Planned Duration:</u> 18 months. Contract completed in 3/99</p>	<p>Grant \$25,362 Match \$13,600 Total \$38,962</p> <p>DEP contact person: Hahnel</p>
<p>#99B-12, "Great Pond Watershed Management Plan Development Project" <u>Sponsor:</u> Belgrade Regional Conservation Alliance <u>Purpose:</u> To create a Watershed Management Plan for stabilizing and improving water quality throughout the Great Pond watershed; to focus the municipalities in a coordinated effort to protect the lake's water quality; and to educate watershed residents in the benefits of water quality protection. <u>Planned Duration:</u> 18 months. Contract issued in 3/99</p>	<p>Grant \$94,419 match \$20,162 total \$114,581</p> <p>DEP contact person: M. Dennis</p>
<p>#99B-17, "No Name Pond Watershed Mgt. Plan Development" <u>Sponsor:</u> City of Lewiston <u>Purpose:</u> Develop a Watershed Management Plan to help protect No Name Pond from further declines in water quality resulting from land use activities associated with nutrients/NPS pollutants. <u>Planned Duration:</u> 12 months. Contract issued in 3/99</p>	<p>Grant \$17,450 Match \$6,475 Total \$23,925</p> <p>DEP contact person: Ladd</p>
<p>#99B-18, "China Region Watershed Management Project" <u>Sponsor:</u> China Region Lake Alliance <u>Purpose:</u> To continue implementation of a locally-supported multi-jurisdictional lake water quality improvement program, based on established and accepted watershed management practices and regulatory mechanisms, to achieve widespread implementation of best management practices. <u>Duration:</u> 24 months. Contract issued in 3/99</p>	<p>Grant \$96,800 Match \$190,600 Total \$287,400</p> <p>DEP contact person: Hahnel</p>
<p>#99B-28, "Highland Lake Watershed Implementation Project" <u>Sponsor:</u> Cumberland County Soil and Water Conservation District <u>Purpose:</u> SWCD will collaborate with local partners to implement key parts of the Highland Lake Watershed Management Plan, January 1999. The Plan is to designed to "improve or maintain stable water quality and reduce symptoms of eutrophication in Highland Lake". Primary local partners include the Highland Lake Association, private road associations, and the towns of Falmouth, Windham and Westbrook. The partners will implement 9 of the 15 action items from Plan. Major activities involve outreach services to inform residents why and how to take action to adopt conservation measures on their land; technical, cost sharing and labor (youth conservation corps) assistance services to install conservation practices at high priority sites, and increased local monitoring of lake and tributary water quality. <u>Duration:</u> 36 months. Contract issued in 6/99</p>	<p>Grant \$206,975 match \$146,235 total \$353,210</p> <p>DEP contact person: D. Kale</p>

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ATTACHMENT C: Priority Watershed Protection Program Funding Options

1. **Use Lakes Heritage Trust Fund: Encourage donations.** Title 5 MRSA Section 3331, sub-section 6 established the Lakes Heritage Trust Fund (LHTF) for the purpose of “protecting, preserving and enhancing the quality and value of the State’s lakes and great ponds.” While public or private donations may be made to the Fund, none have been received to date. Additional publicity is needed to alert potential donors to the existence of the LHTF. Private companies could be encouraged to adopt a watershed with some provision for publicity such as roadside signs similar to “Adopt-a-Highway” signs are used in other states.
2. **Use Lakes Heritage Trust Fund: Accept Enforcement Penalties** LD 2470 would provide a funding mechanism by directing penalties for land use violations in great pond watersheds to the Lakes Heritage Trust Fund. Based on data for 1997 - 1999, this provides approximately \$5,500 annually. While beneficial, this would not fill the need for additional program support. The department also questions whether it is desirable enforcement policy to use enforcement penalties to fund a program that it has a strong interest in supporting. Though oversight of the fund is provided by the Land & Water Resources Council and not DEP, the department would likely play a significant role in determining how money is spent.
3. **Continue to Seek Support for Bond Issue.** In the past two legislative sessions, the requests for environmental bond money have substantially exceeded the money available. In both sessions, the request for \$500,000 to support Priority Watershed Programs was dropped due to higher priorities. In the last session, the Department proposed to limit the spending to local road improvements to fix chronic erosion problems that are particularly pervasive in many lake watersheds. During discussion with the Legislature’s Appropriations Committee, the question was raised as to why the request was not included in the Transportation bond package. While its main purpose was viewed by DEP and MDOT as environmental improvement, the result would clearly benefit local transportation systems. As such, the request could be resubmitted as part of a Transportation bond package in the future.

ATTACHMENT D: History of the Nonpoint Source Education/Outreach program:

The early years (1990 - 1995)

Action	Result
NPS Times Newsletter established. A quarterly newsletter whose audience is other professionals working at correcting NPS problems (state & federal agencies, Soil & Water Conservation Districts, etc.)	Readership has indicated that the newsletter is helpful.
Stations asked to play radio PSAs. Distributed to all stations, different methods tried - ask stations to read and provided tapes produced by University of Maine.	Not very effective. Don't know if they were ever used. Never heard them.
Developed a display for fairs and shows. UMO helped with development of the display.	Good display, used for a number of years.
Participated in Earthminders (a group of government and NGOs working together to get environmental education in the classroom) and bought curriculum materials.	Fairly effective way to get materials into teachers hands.
Teacher workshops and classroom presentations (slide shows, groundwater model, AWMA Curriculum Guides)	More effective than Earthminders.
Supported the publishing of other DEP documents related to water quality (For Your Lake's Sake, Watershed: An Action Guide to Improving Maine Waters, BMP manuals etc.)	Provided staff with handouts for lake association meetings etc. Somewhat effective if audience was already looking for information on topic.

NPS Awareness Campaign (partnership between DEP & State Planning Office's Coastal Program)

Action	Result
Developed strategy, logo and "Clean Water Starts With You".	Good
Held kick-off event for NPS Awareness with Governor King on Earth Day.	Mixed - good local turn out and interest, due to location major media market representatives did not show.
Through the RFP process hired a marketing firm, NL Partners, to assist in the development of a poster, bookcover, handout, TV PSAs and a 30 minute TV Show.	Nice tools, distribution methods ok, too many posters made, should have had more bookcovers instead. TV PSAs run, but not at good times - pretty much fell through cracks. TV show - good response from stations, they ran for Coast Week and Earth Day.
Developed a few questions for a state wide phone survey conducted by Market Decisions.	4 years of data.
Conducted 2 focus groups through NL Partners on buffer planting.	Interesting results.
Bought ads in special newspaper sections and submitted advertorials.	Fairly good method of outreach, if and only if they also run the article.
Department Tabloid insert	Ok - used as both insert in papers during Earth Day time period and as handouts at fairs.
Radio Messages	Bought radio time on selected stations. Messages were heard - think might have diluted too much - need same message heard more and more often.
Newspaper articles	Mixed results. Some papers ran. Septic article did get a reaction (people had questions about additives).

Other:

- ◆ Support Children's Water Festival ("fair" for 5th grade students & their teachers to spend one day immersed in water-related topics and issues).
- ◆ Watershed Models and classroom presentations.

- ◆ Watershed Survey's - training and assisting lake watershed residents to conduct a watershed survey to identify NPS problems.
- ◆ Individual 319 projects have outreach components.
- ◆ NPS Training and Resource Center - hosts training classes for targeted audiences such as contractors, municipal officials, and engineers.
- ◆ Other handout/outreach materials developed ie Buffer Handbook, BMP Manuals
- ◆ Fairs/events attended. (Common Ground Fair, Sportsman Show).
- ◆ Legislation passed includes Stormwater Control Law & Erosion Control Law.